

REQUIREMENTS FOR URANIUM MINING IN GOLIAD COUNTY

1. TWELVE, 12, MONITOR WELLS AROUND MINING AREA. WELLS TO VARY IN DISTANCE AND DEPTH. MONITOR WELLS MUST BE LOCATED WITHIN 50 FT. OF MINING AREA AND TWO WELLS IN EACH SAND LEVEL: A-C
2. MONITORING BY AN INDEPENDENT ENVIRONMENTAL LAB EVERY THIRTY DAYS. MONITORING TO BE PAID FOR BY MINING COMPANY AND RESULTS SENT TO MINING COMPANY AND GCGCD.
3. GCGCD IS TO HAVE ACCESS TO MINING OPERATIONS AT ALL TIMES DURING THE MINING PROCESS. GCGCD WILL NOT INTERFERE WITH MINING OPERATIONS.
4. URANIUM MINING COMPANY TO APPLY FOR WATER WELL PERMITS TO GCGCD.
5. RESERVE FUND FOR REPLACEMENT OF CONTAMINATED WATER WELLS. \$1,000,000 CASH PAYABLE TO GCGCD FOR A 10 YEAR PERIOD. GCGCD TO ESTABLISH PARAMETERS AND REQUIREMENTS FOR TESTING AND REPLACEMENT OF CONTAMINATED WATER WELLS.

ADOPTED BY GCGCD – MARCH 2009

REQUIREMENTS FOR URANIUM MINING IN GOLIAD COUNTY

The Goliad County Groundwater Conservation District, GCGCD, outlined requirements for in-situ uranium mining in Goliad County in March of 2009. These requirements were distributed to all companies attempting to mine uranium ore in Goliad County. On October 17, 2012 the GCGCD reviewed and validated the requirements for uranium mining in Goliad County. The following four items apply to the monitor wells and the mining operations inside the area known as PAA or the mining area.

1. A minimum of twelve, 12, monitor wells are to be placed within any and all production areas. The wells are to vary in horizontal distance, beginning at fifty feet and extending out to four hundred feet from the in-situ mining wells. At least two of these monitor wells are to be placed in each production sand: Two above, two below and two in the sand being mined.
2. The monitoring and sampling of the monitor wells located inside the mining area is to be conducted by an independent, accredited environmental laboratory every thirty days. The independent environmental lab is to report the results to GCGCD and the mining company within thirty days following the date of the sampling. The mining company will be required to pay the expense of sampling and laboratory testing of the wells located inside the mining area for the duration of the mining activity and at least five years after all mining ceases. Provided no contamination or evidence of contamination of the aquifer or of any individual water well has occurred within five years after mining has ceased, the frequency of the monitoring and sampling shall be reduced to six month intervals or at a rate and period of time to be determined by the GCGCD.
3. The GCGCD is to have access to the mining operations at all times. Access will only be gained during normal business hours and GCGCD will not interfere with the mining operations.

4. The uranium mining company is to apply for water well permits from the GCGCD and comply with the GCGCD rules for reporting water usage and permit renewals.

The following requirements will apply to water wells located outside of the mining are:

1. A reserve fund of \$1,000,000 for replacement of contaminated water wells located outside of the mining area is to be established by the mining company. This fund is to be cash and is to be payable to GCGCD for a period of not less than ten years or at least for five years after all mining ceases. GCGCD is to establish parameters and requirements for sampling, testing, determination and replacement of contaminated water wells. This fund is to be managed at the sole discretion of GCGCD.
2. GCGCD will continue to sample and test the water quality of the twelve wells it has been monitoring for the past six years and/or any other wells it deems necessary to determine the quality of the water outside of the mining area. GCGCD will continue to pay for the monitoring of the wells outside of the mining area.

The above listed requirements have been adopted by the GCGCD for the purpose of protecting the natural resources of Goliad County. These requirements are to apply to any and all individuals or companies desiring to mine uranium ore in Goliad County. GCGCD is open and willing to work with the Environmental Protection Agency, the Texas Commission on Environmental Quality and the mining company in formulating and conducting the specific details of the above listed requirements.

Respectfully submitted by:

Chairman of the GCGCD, Art Dohmann
and Director, Raulie Irwin

Dated: October 17, 2012